

AMENDMENT NO. 1
to the
OFFICIAL STATEMENT
dated August 18, 2004
relating to

STATE OF TENNESSEE
\$215,165,000 General Obligation Bonds, 2004 Refunding Series C

This Amendment amends and supplements the Official Statement dated August 18, 2004 (the "Official Statement") relating to the captioned bonds and constitutes an integral part of the Official Statement. Capitalized terms used in this Amendment but not defined herein have the meanings given to such terms in the Official Statement.

The inside cover of the Official Statement contains a chart depicting the maturity amounts, the interest rates, the yields and the CUSIP Numbers for each year in which the Bonds are due and payable. The principal amount of the Bonds due on September 1, 2007 is incorrect and should be \$5,455,000. The Official Statement is hereby amended to delete the table on the inside cover and such table is replaced with the table attached hereto which incorporates this change.

Please adhere the attached replacement table over the existing table appearing on the inside cover of the Official Statement.

Dated: September 7, 2004

\$215,165,000 GENERAL OBLIGATION BONDS, 2004 REFUNDING SERIES C

Due							
<u>September 1</u>		<u>Amount</u>		<u>Interest Rate</u>		<u>Yield</u>	<u>Cusip Number*</u>
2007		\$5,455,000		3.000%		2.070%	880541ER4
2008		2,875,000		3.000%		2.500%	880541ES2
2008		2,525,000		5.000%		2.500%	880541ET0
2009		8,785,000		5.000%		2.820%	880541EU7
2010		27,485,000		5.000%		3.040%	880541EV5
2010		875,000		3.250%		3.040%	880541EW3
2011		26,110,000		5.000%		3.260%	880541EX1
2011		2,250,000		3.500%		3.260%	880541EY9
2012		33,960,000		5.000%		3.420%	880541EZ6
2012		1,750,000		3.625%		3.420%	880541FA0
2013		28,385,000		5.250%		3.580%	880541FB8
2014		28,465,000		5.250%		3.690%	880541FC6
2015		24,010,000		5.250%		3.800%	880541FD4
2016		11,125,000		5.000%		3.880%	880541FE2
2017		11,110,000		5.000%		3.960%	880541FF9

*These CUSIP numbers have been assigned by Standard & Poor's CUSIP Service Bureau, a Division of The McGraw Hill Companies, Inc., and are included solely for the convenience of the Bondholders. Neither the State of Tennessee nor the Underwriters are responsible for the selection or use of these CUSIP numbers, nor is any representation made as to their correctness on the Bonds or as indicated herein.